

under his exclusive jurisdiction, if the disposal of such materials is not otherwise expressly authorized by law and if such disposal would not be detrimental to the public interest. Such materials may be disposed of only upon the payment of adequate compensation therefor, to be determined by the Secretary, and only after public notice of the disposal has been given prior thereto in such manner as may be prescribed by the Secretary. Nothing in this section shall be construed to apply to any national park or national monument or to any Indian lands or lands set aside or held for the use or benefit of Indians, including lands over which jurisdiction has been transferred to the Department of the Interior by executive order for the use of Indians. (Sept. 27, 1944, ch. 416, § 1, 58 Stat. 745.)

§ 1602. Disposition of moneys received from sale of materials.

All moneys received from the disposal of materials under this Act [sections 1601–1603 of this Appendix] shall be disposed of in the same manner as moneys received from the sale of public lands. (Sept. 27, 1944, ch. 416, § 2, 58 Stat. 745.)

§ 1603. Public notice of disposition; limitation; termination date.

Before disposing of any such materials referred to in section 1 [section 1601 of this Appendix], the Secretary shall first give public notice, published in a newspaper published in the county where such materials are located and if no newspaper is published in such county, then in the county nearest thereto, for at least thirty days, of his intention to dispose of such materials. No such materials in excess of \$10,000 shall be disposed of unless authorized by laws of the United States. The powers granted in this Act [sections 1601–1603 of this Appendix] shall cease to exist at the cessation of hostilities in the present war as determined by the President by proclamation or the Congress by concurrent resolution and the provisions of this Act [sections 1601–1603 of this Appendix] shall not apply where disposal of such materials have been expressly prohibited by laws of the United States. (Sept. 27, 1944, ch. 416, § 3, 58 Stat. 745.)

SURPLUS PROPERTY ACT OF 1944 (New)

ACT OCT. 3, 1944, CH. 479, 58 STAT. 765

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§ 1611. Declaration of general objectives.

The Congress hereby declares that the objectives of this Act [sections 1611-1646 of this Appendix] are to facilitate and regulate the orderly disposal of surplus property so as—

- (a) to assure the most effective use of such property for war purposes and the common defense;
- (b) to give maximum aid in the reestablishment of a peacetime economy of free independent private enterprise, the development of the maximum of independent operators in trade, industry, and agriculture, and to stimulate full employment;
- (c) to facilitate the transition of enterprises from wartime to peacetime production and of individuals from wartime to peacetime employment;
- (d) to discourage monopolistic practices and to strengthen and preserve the competitive position of small business concerns in an economy of free enterprise;
- (e) to foster and to render more secure family-type farming as the traditional and desirable pattern of American agriculture;
- (f) to afford returning veterans an opportunity to establish themselves as proprietors of agricultural, business, and professional enterprises;
- (g) to encourage and foster post-war employment opportunities;
- (h) to assure the sale of surplus property in such quantities and on such terms as will discourage disposal to speculators or for speculative purposes;
- (i) to establish and develop foreign markets and promote mutually advantageous economic relations between the United States and other countries by the orderly disposition of surplus property in other countries;
- (j) to avoid dislocations of the domestic economy and of international economic relations;
- (k) to foster the wide distribution of surplus commodities to consumers at fair prices;
- (l) to effect broad and equitable distribution of surplus property;
- (m) to achieve the prompt and full utilization of surplus property at fair prices to the consumer

through disposal at home and abroad with due regard for the protection of free markets and competitive prices from dislocation resulting from uncontrolled dumping;

(n) to utilize normal channels of trade and commerce to the extent consistent with efficient and economic distribution and the promotion of the general objectives of this Act [such sections] (without discriminating against the establishment of new enterprises);

(o) to promote production, employment of labor, and utilization of the productive capacity and the natural and agricultural resources of the country;

(p) to foster the development of new independent enterprise;

(q) to prevent insofar as possible unusual and excessive profits being made out of surplus property;

(r) to dispose of surplus property as promptly as feasible without fostering monopoly or restraint of trade, or unduly disturbing the economy, or encouraging hoarding of such property, and to facilitate prompt redistribution of such property to consumers;

(s) to dispose of surplus Government-owned transportation facilities and equipment in such manner as to promote an adequate and economical national transportation system; and

(t) except as otherwise provided, to obtain for the Government, as nearly as possible, the fair value of surplus property upon its disposition. (Oct. 3, 1944, ch. 479, § 2, 58 Stat. 766.)

SHORT TITLE

Section 1 of act Oct. 3, 1944, cited to text, provided: "That this Act [sections 1611-1646 of this Appendix] may be cited as the 'Surplus Property Act of 1944'."

EXPIRATION DATE

Section 38 of act Oct. 3, 1944, cited to text, provided: "Unless extended by law, this Act [sections 1611-1646 of this Appendix], shall expire at the end of three years following the date of the cessation of hostilities in the present war. For the purposes of this section the term 'date of the cessation of hostilities in the present war' means the date proclaimed by the President as the date of such cessation, or the date specified in a concurrent resolution of the two Houses of Congress as the date of such cessation, whichever is the earlier."

SEPARABILITY PROVISIONS

Section 39 of act Oct. 3, 1944, cited to text, provided: "If any provision of this Act [sections 1611-1646 of this Appendix], or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act [such sections] or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

CROSS REFERENCES

Contract Settlement Act of 1944, see sections 101-125 of Title 41, Public Contracts.

Reconversion Act, see section 1191 of this Appendix.

Repricing of war contracts, see section 1192 of this Appendix.

War Mobilization and Reconversion Act of 1944, see sections 1651-1678 of this Appendix.

§ 1612. Definitions.

As used in this Act [sections 1611-1646 of this Appendix]—

(a) The term "Government agency" means any executive department, board, bureau, commission, or other agency in the executive branch of the Federal

Government, or any corporation wholly owned (either directly or through one or more corporations) by the United States.

(b) The term "owning agency", in the case of any property, means the executive department, the independent agency in the executive branch of the Federal Government, or the corporation (if a Government agency), having control of such property otherwise than solely as a disposal agency.

(c) The term "disposal agency" means any Government agency designated under section 10 [section 1619 of this Appendix] to dispose of one or more classes of surplus property.

(d) The term "property" means any interest, owned by the United States or any Government agency, in real or personal property, of any kind, wherever located, but does not include (1) the public domain, or such lands withdrawn or reserved from the public domain as the Surplus Property Board (created by section 5 [section 1614 of this Appendix]) determines are suitable for return to the public domain for disposition under the general land laws, or (2) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines.

(e) The term "surplus property" means any property which has been determined to be surplus to the needs and responsibilities of the owning agency in accordance with section 11 [section 1620 of this Appendix].

(f) The term "contractor inventory" means (1) any property related to a terminated contract of any type with a Government agency or to a subcontract thereunder and (2) any property acquired under a contract pursuant to the terms of which title is vested in the Government, and in excess of the amounts needed to complete performance thereunder and (3) any property which the Government is obligated to take over under any type of contract as a result of any change in the specifications or plans thereunder.

(g) The term "care and handling" includes completing, repairing, converting, rehabilitating, operating, maintaining, preserving, protecting, insuring, storing, packing, handling, and transporting, and, in the case of property which is dangerous to public health or safety destroying, or rendering innocuous, such property.

(h) The term "person" means any individual, corporation, partnership, firm, association, trust, estate, or other entity.

(i) The term "State" includes the several States, Territories, and possessions of the United States, and the District of Columbia.

(j) The term "tax-supported institution" means any scientific, literary, educational, public-health, or public-welfare institution which is supported in whole or in part through the use of funds derived from taxation by the United States, or by any State or political subdivision thereof.

(k) The term "veteran" means any person in the active military or naval service of the United States during the present war, or any person who served in the active military or naval service of the United

States on or after September 16, 1940, and prior to the termination of the present war, and who has been discharged or released therefrom under honorable conditions. (Oct. 3, 1944, ch. 479, § 3, 58 Stat. 767.)

§ 1613. General rule regarding disposition of surplus property.

Surplus property shall be disposed of to such extent, at such times, in such areas, by such agencies, at such prices, upon such terms and conditions, and in such manner, as may be prescribed in or pursuant to this Act [sections 1611-1646 of this Appendix]. (Oct. 3, 1944, ch. 479, § 4; 58 Stat. 768.)

§ 1614. Surplus Property Board; composition; appointment; compensation, and term of office; employment of personnel.

(a) There is hereby established in the Office of War Mobilization, and in its successor, a Surplus Property Board (hereinafter called the "Board"), which shall be composed of three members, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$12,000 per annum. The term of office of the members shall be two years, except that the term of office of the members first appointed shall expire two years from the date of the enactment of this Act [October 3, 1944], and the next succeeding terms shall then begin, and any person appointed to fill a vacancy caused by the death, resignation, or removal of a member prior to the expiration of the term of such member shall be appointed only for such unexpired term. The President shall designate one of the members of the Board as Chairman.

(b) The Board may, within the limits of funds which may be made available, appoint and fix the compensation of such officers and employees, and may make such expenditures for supplies, facilities, and services, as may be necessary to carry out its functions. Without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended [sections 661-663, 664-673 and 674 of Title 5], the Board may appoint such special assistants, and may employ such certified public accountants, qualified cost accountants, industrial engineers, appraisers, and other experts, and fix their compensation, and may contract with such certified public accounting firms and qualified firms of engineers, as may be necessary to carry out its functions. (Oct. 3, 1944, ch. 479, § 5, 58 Stat. 768.)

TRANSFER OF FUNCTIONS

Transfer of records, office equipment, unexpended funds and personnel from the Surplus War Property Administrator to the Surplus Property Board, see Ex. Ord. No. 9488, Oct. 3, 1944, 9 F. R. 12145, set out as a note under sections 1651 and 1677 (b) of this Appendix.

Abolishment of the Board and the transfer of all its functions, property and personnel to the Surplus Property Administrator effective Sept. 28, 1945, see sections 1614a and 1614b of this Appendix.

§ 1614a. Establishment of Surplus Property Administration; appointment, compensation, and term of office of Administrator.

There is established in the Office of War Mobilization and Reconversion a Surplus Property Adminis-

tration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$12,000 per year. The term of office of the Administrator shall be two years. (Sept. 18, 1945, ch. 368, § 1, 59 Stat. 533.)

CODIFICATION

Section was not enacted as a part of the Surplus Property Act of 1944.

§ 1614b. Abolishment of Surplus Property Board; effective date; transfer of functions, property, and personnel to Administrator; effectiveness of Board's regulations and administrative acts.

(a) Effective at the time the Surplus Property Administrator first appointed under this Act [sections 1614a and 1614b of this Appendix] qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 [1614 of this Appendix] is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become, respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this Act [sections 1614a and 1614b of this Appendix] shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, made, prescribed, or performed before the transfer of functions provided by subsection (a) of this section shall, except to the extent rescinded, modified, superseded, or made inapplicable by the Surplus Property Administrator, have the same effect as if such transfer had not been made; but functions vested in the Surplus Property Board by any such regulation, policy, determination, authorization, requirement, designation, or other action shall, insofar as they are to be exercised after the transfer, be considered as vested in the Surplus Property Administrator. (Sept. 18, 1945, ch. 368, § 2, 59 Stat. 533.)

CODIFICATION

Section was not enacted as a part of the Surplus Property Act of 1944.

§ 1615. Duties and authority of Board.

The activities of the Board shall be coordinated with the programs of the armed forces of the United States in the interests of the war effort. Until peace is concluded the needs of the armed forces are hereby declared and shall remain paramount. The Board shall have general supervision and direction, as provided in this Act [sections 1611–1646 of this Appendix], over (1) the care and handling and disposition of surplus property, and (2) the transfer of surplus

property between Government agencies. (Oct. 3, 1944, ch. 479, § 6, 58 Stat. 768.)

§ 1616. Board's cooperation with Government agencies.

The Board shall advise and consult with other interested Government agencies with a view to obtaining all aid and assistance possible in coordinating the functions of the several agencies affected by the disposition of surplus property. (Oct. 3, 1944, ch. 479, § 7, 58 Stat. 768.)

§ 1617. Delegation of authority by Government agencies.

The head of any Government agency, except the Board, may delegate, and authorize successive delegations of, any authority conferred upon him or his agency by or pursuant to this Act [sections 1611–1646 of this Appendix], to any officer, agent, or employee of such agency or, with the approval of the Board, to any other Government agency. (Oct. 3, 1944, ch. 479, § 8, 58 Stat. 768.)

§ 1618. Issuance of regulations by Board; scope; regulations by Government agencies; publication.

(a) The Board shall prescribe regulations to effectuate the provisions of this Act [sections 1611–1646 of this Appendix]. In formulating such regulations, the Board shall be guided by the objectives of this Act [such sections].

(b) Regulations issued pursuant to subsection (a) may, except as otherwise provided in this Act [such sections], contain provisions prescribing the extent to which, the times at which, the areas in which, the agencies by which, the prices at which, and the terms and conditions under which, surplus property may be disposed of, and the extent to which and the conditions under which surplus property shall be subject to care and handling.

(c) Each Government agency shall carry out regulations of the Board expeditiously and shall issue such further regulations, not inconsistent with the regulations of the Board, as it deems necessary or desirable to carry out the provisions of this Act [such sections].

(d) Regulations prescribed under this Act [such sections] shall be published in the Federal Register. (Oct. 3, 1944, ch. 479, § 9, 58 Stat. 769.)

§ 1619. Designation of disposal agencies.

(a) Except as provided in subsection (b) of this section, the Board shall designate one or more Government agencies to act as disposal agencies under this Act [such sections]. In exercising its authority to designate disposal agencies, the Board shall assign surplus property for disposal by the fewest number of Government agencies practicable and, so far as it deems feasible, shall centralize in one disposal agency responsibility for the disposal of all property of the same type or class.

(b) The United States Maritime Commission shall be the sole disposal agency for surplus vessels which the Commission determines to be merchant vessels or capable of conversion to merchant use, and such vessels shall be disposed of only in accordance with the provisions of the Merchant Marine Act, 1936, as amended [sections 1101–1111, 1112–1155, 1156–1242,

and 1243-1279 of Title 461, and other laws authorizing the sale of such vessels. (Oct. 3, 1944, ch. 479, § 10, 58 Stat. 769.)

§ 1620. Declaration and disposition of surplus property—(a) Survey by owning agency of property.

Each owning agency shall have the duty and responsibility continuously to survey the property in its control and to determine which of such property is surplus to its needs and responsibilities.

(b) Reports by owning agency.

Each owning agency shall promptly report to the Board and the appropriate disposal agency all surplus property in its control which the owning agency does not dispose of under section 14 [section 1623 of this Appendix].

(c) Report to Congress by Board on failure of owning agency to report surplus.

Whenever in the course of the performance of its duties under this Act [sections 1611-1646 of this Appendix], the Board has reason to believe that any owning agency has property in its control which is surplus to its needs and responsibilities and which it has not reported as such, the Board shall promptly report that fact to the Senate and House of Representatives. Each owning agency and each disposal agency shall submit to the Board (1) such information and reports with respect to surplus property in the control of the agency, in such form, and at such reasonable times, as the Board may direct; (2) such information and reports with respect to other property in the control of the agency, to such extent, and in such form, as the Board may direct and as the agency deems consistent with national security.

(d) Disposition by disposal agency; delayed dispositions.

When any surplus property is reported to any disposal agency under subsection (b) of this section, the disposal agency shall have responsibility and authority for the disposition of such property, and for the care and handling of such property pending its disposition, in accordance with regulations prescribed by the Board. Where the disposal agency is not prepared at the time of its designation under this Act [such sections] to undertake the care and handling of such surplus property the Board may postpone the responsibility of the agency to assume its duty for care and handling for such period as the Board deems necessary to permit the preparation of the agency therefor.

(e) Uniform public notice.

The Board shall prescribe regulations necessary to provide, so far as practicable, for uniform and wide public notice concerning surplus property available for sale, and for uniform and adequate time intervals between notice and sale so that all interested purchasers may have a fair opportunity to buy.

(f) Property processed, produced, or donated by the American Red Cross.

No surplus property which was processed, produced, or donated by the American Red Cross for any Government agency shall be disposed of except after notice to and consultation with the American

Red Cross. All or any portion of such property may be donated to the American Red Cross, upon its request, solely for charitable purposes.

(g) Inventory records; availability for inspection.

Each disposal agency shall maintain in each of its disposal offices such records of its inventories of surplus property and of each disposal transaction negotiated by that office as the Board may prescribe. The information in such records shall be available at all reasonable times for public inspection. (Oct. 3, 1944, ch. 479, § 11, 58 Stat. 769.)

§ 1621. Utilization of surplus property by federal agencies.

(a) It shall be the duty of the Board to facilitate the transfer of surplus property from one Government agency to other Government agencies for their use; and the transfer of surplus property under this section shall be given priority over all other disposals provided for in this Act [sections 1611-1646 of this Appendix].

(b) It shall be the responsibility of all Government agencies, in order to avoid making purchases through commercial channels, continuously to consult the records of surplus property established by the Board and to determine whether their requirements can be satisfied out of such surplus property. It shall also be the responsibility of the head of each Government agency to submit to the Board such estimates of the needs of the agency and such reports in relation thereto as the Board may deem necessary to promote the fullest utilization of surplus property. It shall be the responsibility of the Board to determine whether Government agencies are acquiring surplus property to the fullest possible extent, and to notify agencies whenever, in its judgment, they are not so doing.

(c) The disposal agency responsible for any such property shall transfer it to the Government agency acquiring it at the fair value of the property as fixed by the disposal agency, under regulations prescribed by the Board, unless transfer without reimbursement or transfer of funds is otherwise authorized by law. (Oct. 3, 1944, ch. 479, § 12, 58 Stat. 770.)

§ 1622. Disposal to local governments and nonprofit institutions—(a) Exemption from taxation; fulfillment of legitimate needs.

The Board shall prescribe regulations for the disposition of surplus property to States and their political subdivisions and instrumentalities, and to tax-supported and nonprofit institutions, and shall determine on the basis of need what transfers shall be made. In formulating such regulations the Board shall be guided by the objectives of this Act [sections 1611-1646 of this Appendix] and shall give effect to the following policies to the extent feasible and in the public interest:

(1) (A) Surplus property that is appropriate for school, classroom, or other educational use may be sold or leased to the States and their political subdivisions and instrumentalities, and tax-supported educational institutions, and to other nonprofit educational institutions which have been held ex-

empt from taxation under section 101 (6) of the Internal Revenue Code [section 101 (6) of Title 26].

(B) Surplus medical supplies, equipment, and property suitable for use in the protection of public health, including research, may be sold or leased to the States and their political subdivisions and instrumentalities, and to tax-supported medical institutions, and to hospitals or other similar institutions not operated for profit which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code [section 101 (6) of Title 26].

(C) In fixing the sale or lease value of property to be disposed of under subparagraph (A) and subparagraph (B) of this paragraph, the Board shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution.

(2) Surplus property shall be disposed of so as to afford public and governmental institutions, non-profit or tax-supported educational institutions, charitable and eleemosynary institutions, non-profit or tax-supported hospitals and similar institutions, States, their political subdivisions and instrumentalities, and volunteer fire companies, an opportunity to fulfill, in the public interest, their legitimate needs.

(b) Donation of property.

Under regulations prescribed by the Board, whenever the Government agency authorized to dispose of any property finds that it has no commercial value or that the cost of its care and handling and disposition would exceed the estimated proceeds, the agency may donate such property to any agency or institution supported by the Federal Government or any State or local government, or to any nonprofit educational or charitable organization, or, if that is not feasible, shall destroy or otherwise dispose of such property, but, except in the case of property the immediate destruction of which is necessary or desirable either because of the nature of the property or because of the expense or difficulty of its care and handling, no property shall be destroyed until thirty days after public notice of the proposed destruction thereof has been given (and a copy of such notice given to the Board at the beginning of such thirty-day period) and an attempt has been made within such thirty days to dispose of such property otherwise than by destruction.

(c) Airports, harbors, and port terminals.

No airport and no harbor or port terminal, including necessary operating equipment, shall be otherwise disposed of until it has first been offered, under regulations to be prescribed by the Board, for sale or lease to the State, political subdivision thereof, and any municipality, in which it is situated, and to all municipalities in the vicinity thereof.

(d) Power transmission lines.

Whenever any State or political subdivision thereof, or any State or Government agency or instrumentality certifies to the Board that any power transmission line determined to be surplus property under the provisions of this Act [sections 1611-1646 of this Appendix] is needful for or adaptable to the

requirements of any public or cooperative power project, such line and the right-of-way acquired for its construction shall not be sold, leased for more than one year, or otherwise disposed of, except as provided in section 12 [section 1621 of this Appendix] or this section, unless specifically authorized by Act of Congress.

(e) Repurchase of original rights-of-way.

In disposing of any surplus real property, as defined in section 23, on or across which highways or streets had been established and constructed and were being maintained by the States or their political subdivisions or instrumentalities at the time such surplus real property was acquired by the Government, and where such highways or streets were vacated, destroyed, or shut off from general public use in order to meet the requirements and serve the purposes of the Government, the States or their political subdivisions or instrumentalities first shall be given a reasonable time, to be fixed by the Board, in which to repurchase the original rights-of-way on which such highways or streets were established and in which to purchase such new or additional rights-of-way as may be required for reestablishing, in whole or in part, such highways or streets of greater width or on new and more adequate locations, at a price not exceeding that paid therefor by the Government.

(f) Priority of disposal.

The disposal of surplus property under this section to States and political subdivisions and instrumentalities thereof shall be given priority over all other disposals of property provided for in this Act except transfers under section 12 [section 1621 of this Appendix]. (Oct. 3, 1944, ch. 479, § 13, 58 Stat. 770.)

§ 1623. Disposition by owning agency; limitations.

(a) Subject only to the regulations of the Board with respect to price policies, any owning agency may dispose of any property for the purpose of war production or authorize any contractor with such agency or subcontractor thereunder to retain or dispose of any contractor inventories for the purpose of war production. The Board may empower any owning agency, subject to the regulations of the Board, to authorize any contractor with such agency or subcontractor thereunder to retain or dispose of any contractor inventories for any other purpose which in the opinion of the Board is not contrary to the objectives of this Act [sections 1611-1646 of this Appendix]. Where any owning agency takes possession of any contractor inventory from any contractor with the agency or subcontractor thereunder, such property shall be disposed of only in accordance with the provisions of this Act [such sections].

(b) Subject only to subsection (c) of this section, any owning agency may dispose of—

(1) any property which is damaged or worn beyond economical repair;

(2) any waste, salvage, scrap, or other similar items;

(3) any product of industrial, research, agricultural, or livestock operations, or of any public

works construction or maintenance project, carried on by such agency;

which does not consist of strategic minerals and metals, as defined in section 22 [section 1631 of this Appendix].

(c) Whenever the Board deems such action necessary to effectuate the objectives and policies of this Act [such sections], the Board, by regulations, shall restrict the authority of any owning agency to dispose of any class of surplus property under subsection (b) of this section. (Oct. 3, 1944, ch. 479, § 14, 58 Stat. 772.)

§ 1624. Methods of disposition; execution of documents.

(a) Notwithstanding the provisions of any other law but subject to the provisions of this Act [sections 1611–1646 of this Appendix], whenever any Government agency is authorized to dispose of property under this Act [such sections], then the agency may dispose of such property by sale, exchange, lease, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions, as the agency deems proper: *Provided, however,* That in the case of raw materials, consumer goods, and small tools, hardware, and nonassembled articles which may be used in the manufacture of more than one type of product, no extension of credit under this Act [such sections] shall be for a longer period than three years.

(b) Any owning agency or disposal agency may execute such documents for the transfer of title or other interest in property or take such other action as it deems necessary or proper to transfer or dispose of property or otherwise to carry out the provisions of this Act [such sections], and, in the case of surplus property, shall do so to the extent required by the regulations of the Board. (Oct. 3, 1944, ch. 479, § 15, 58 Stat. 772.)

§ 1625. Disposition to veterans.

The Board shall prescribe regulations to effectuate the objectives of this Act [sections 1611–1646 of this Appendix] to aid veterans to establish and maintain their own small business, professional, or agricultural enterprises, by affording veterans suitable preferences to the extent feasible and consistent with the policies of this Act [such sections] in the acquisition of the types of surplus property useful in such enterprises. (Oct. 3, 1944, ch. 479, § 16, 58 Stat. 773.)

§ 1626. Disposition in rural areas.

The Board shall devise ways and means and prescribe regulations in cooperation with the War Food Administrator providing for the sale of surplus property in such quantities in rural localities and in such manner as will assure farmers and farmers' cooperative associations equal opportunity with others to purchase surplus property: *Provided, however,* That in cases where a shortage of trucks, machinery, and equipment impairs farm production, a program shall be developed by the Board in cooperation with the Agricultural Adjustment Agency whereby a reasonable portion of the surplus supply

will be made available for sale in rural areas to farmers and farmers' cooperative associations. (Oct. 3, 1944, ch. 479, § 17, 58 Stat. 773.)

§ 1627. Disposition to small business—(a) Prevention of discrimination.

It shall be the duty of the Board to devise ways and means and prescribe regulations to prevent any discrimination against small business in the disposal and distribution and use of any surplus property.

(b) Preference to purchasers of small amounts.

The Board shall by regulations determine, or provide for the determination, as to all surplus property in the hands of each disposal agency, the size of lots in which, and the areas in which, the various classes of such property should be offered consistently with the usual and customary commercial practice with respect to such class. The available supply of each class in each area shall be so disposed of as to give to prospective purchasers, within such area, of any particular amount (not smaller than the smallest lot consistent with such commercial practice) preference (by affording them reasonable opportunity to acquire the desired amount) over prospective purchasers of larger amounts.

(c) Cooperation between Smaller War Plants Corporation and Board.

The Smaller War Plants Corporation is hereby specifically charged with the responsibility of cooperating with the Board and with the owning and disposal agencies, of making surveys from time to time, and bringing to the attention of the agencies and the Board the needs and requirements of small business and any cases or situations which have resulted in or would effect discrimination against small business in the purchase or acquisition of surplus property by them and in the disposal thereof by the agencies.

(d) Consultation with small business on needs.

The Smaller War Plants Corporation is hereby authorized and directed to consult with small business to obtain full information concerning the needs of small business for surplus property.

(e) Purchase of property by Smaller War Plants Corporation.

The Smaller War Plants Corporation shall have the power to purchase any surplus property for resale, subject to regulations of the Board, to small business (and is empowered to receive other property in exchange as partial or full payment therefor), when in its judgment, such disposition is required to preserve and strengthen the competitive position of small business, or will assist the Corporation in the discharge of the duties and responsibilities imposed upon it. The provisions of subsections (a) and (c) of section 12 [section 1621 of this Appendix] shall be applicable to purchases made by the Smaller War Plants Corporation under this subsection.

(f) Guarantee of loans by Smaller War Plants Corporation.

The Smaller War Plants Corporation is hereby authorized, for the purpose of carrying out the ob-

jectives of this section, to make or guarantee loans to small business enterprises in connection with the acquisition, conversion, and operation of plants and facilities which have been determined to be surplus property, and, in cooperation with the disposal agencies, to arrange for sales of surplus property to small business concerns on credit or time bases. (Oct. 3, 1944, ch. 479, § 18, 58 Stat. 773.)

§ 1628. Disposal of plants—(a) Report to Congress; contents.

The Board, in cooperation with the various disposal agencies, shall prepare and submit to the Congress within three months after enactment of this Act [October 3, 1944], a report as to each of the following classes of surplus property (not including any plant which cost the Government less than \$5,000,000): (1) aluminum plants and facilities; (2) magnesium plants and facilities; (3) synthetic rubber plants and facilities; (4) chemical plants and facilities; (5) aviation gasoline plants and facilities; (6) iron and steel plants and facilities; (7) pipe lines and facilities used for transporting oil; (8) patents, processes, techniques, and inventions, except such as are necessary to the operation of the plants and facilities herein listed; (9) aircraft plants and facilities and aircraft and aircraft parts; (10) shipyards and facilities; (11) transportation facilities; and (12) radio and electrical equipment:

(A) Describing the amount, cost, and location of the property and setting forth other descriptive information relative to the use of the property;

(B) Outlining the economic problems that may be created by disposition of the property;

(C) Setting forth a plan or program for the care and handling, disposition, and use of the property consistent with the policies and objectives set forth in this Act [sections 1611–1646 of this Appendix].

(b) Interim and additional reports.

In the event that it is not possible within such period to prepare and submit a complete report to the Congress as to any class of property, the Board shall submit an interim report three months after the enactment of this Act [October 3, 1944], and shall submit a complete report as soon thereafter as possible. If the Board determines that it is desirable to alter or change any such plan or program or to prepare a report on any other class of property, it shall prepare in accordance with the provisions of this subsection and submit to the Congress an additional report, setting forth the altered or changed plan or program or a plan or program relating to the new class of property.

(c) Disposition of particular classes of plants.

Whenever the Board may deem it to be in the interest of the objectives of this Act [sections 1611–1646 of this Appendix] it may authorize the disposition of any surplus property listed in classes 9 to 12, inclusive, of subsection (a) of this section. With respect to the property listed in classes 1 to 8, inclusive, no disposition shall be made or authorized until thirty days (or sixty days in the case of aluminum plants and facilities) after such report (or additional report) has been made while Congress is

in session, except that the Board may authorize any disposal agency to lease any such property for a term of not more than five years.

(d) Disposition of surplus plants' material and equipment.

The Board may authorize any disposal agency to dispose of any materials or equipment related to any surplus plant covered by this section, if such materials and equipment are not necessary for the operation of the plant in the manner for which it is designed.

(e) Exceptions.

This section shall not apply to any Government-owned equipment, structure, or other property operated as an integral part of a privately owned plant and not capable of economic operation as a separate and independent unit. (Oct. 3, 1944, ch. 479, § 19, 58 Stat. 774, as amended Oct. 22, 1945, ch. 432, 59 Stat. 546.)

AMENDMENTS

1945—Subsec. (c) amended by act Oct. 22, 1945, cited to text, which inserted "(or sixty days in the case of aluminum plants and facilities)" following "thirty days".

§ 1629. Applicability of antitrust laws to disposal; notification to Attorney General of proposed disposal; definition of antitrust laws.

Whenever any disposal agency shall begin negotiations for the disposition to private interests of a plant or plants or other property, which cost the Government \$1,000,000 or more, or of patents, processes, techniques or inventions, irrespective of cost, the disposal agency shall promptly notify the Attorney General of the proposed disposition and the probable terms or conditions thereof. Within a reasonable time, in no event to exceed ninety days after receiving such notification, the Attorney General shall advise the Board and the disposal agency whether, in his opinion, the proposed disposition will violate the antitrust laws. Upon the request of the Attorney General, the Board or other Government agency shall furnish or cause to be furnished such information as it may possess which the Attorney General determines to be appropriate or necessary to enable him to give the advice called for by this section or to determine whether any other disposition of surplus property violates the antitrust laws. Nothing in this Act [sections 1611–1646 of this Appendix] shall impair, amend, or modify the antitrust laws or limit and prevent their application to persons who buy or otherwise acquire property under the provisions of this Act [such sections]. As used in this section, the term "antitrust laws" includes the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended [sections 1–7 of Title 15]; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended [sections 12, 13, 14–21, 22–27, and 44 of Title 15, section 412 of Title 18, sections 381–383, 386–390a of Title 28 and sections 52 and 53 of Title 29]; the Federal Trade Commission Act [sections 41–46 and 47–58a of Title 15]; and the Act of August 27, 1894 (ch. 349, secs. 73, 74, 28 Stat. 570), as amended [sections 8 and 9 of Title 15]. (Oct. 3, 1944, ch. 479, § 20, 58 Stat. 775.)

§ 1630. Formulation of policies for disposal of surplus agricultural commodities; restrictions on sale of cotton and woolen goods and farm commodities.

(a) Subject to the supervision of the Board, the War Food Administrator, or his successor, shall be solely responsible for the formulation of policies with respect to the disposal of surplus agricultural commodities and surplus foods processed from agricultural commodities, which shall be administered by the disposal agency or agencies designated by the Board. Such policies shall be so formulated as to prevent surplus agricultural commodities, or surplus food processed from agricultural commodities, from being dumped on the market in a disorderly manner and disrupting the market prices for agricultural commodities.

(b) The Board shall not exercise any of its powers under this Act [sections 1611–1646 of this Appendix] with relation to disposal of surplus cotton or woolen goods except with the approval in writing of the War Food Administrator or his successor.

(c) Surplus farm commodities shall not be sold in the United States under this Act in quantities in excess of, or at prices less than, those applicable with respect to sales of such commodities by the Commodity Credit Corporation, or at less than current prevailing market prices, whichever may be the higher, unless such commodities are being disposed of, pursuant to this Act [such section], only for export; and the Commodity Credit Corporation may dispose of or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon it by any law: *Provided*, That no food or food product shall be sold or otherwise disposed of under this subsection for export (1) if there is a shortage of such food or food product in the United States or if such sale or other disposition may result in such a shortage, or (2) if such food or food product is needed to supply the normal demands of consumers in the United States. (Oct. 3, 1944, ch. 479, § 21, 58 Stat. 775.)

§ 1631. Stock piling—(a) Transfer of strategic minerals and metals; definition.

All Government-owned accumulations of strategic minerals and metals, including those owned by any Government corporation, shall be transferred by the owning agency, when determined to be surplus pursuant to this Act [sections 1611–1646 of this Appendix], to the account of the Treasury Procurement Division and shall be added to the stock pile authorized by the Act of June 7, 1939 (53 Stat. 811), as amended [sections 98–98f of Title 50], and shall be subject to its provisions: *Provided*, That contractor inventory shall be so transferred only when the owning agency has taken possession of and determined such inventory to be surplus. The minerals and metals may be transferred in any form in which they are held, but the owning agency or the Treasury Procurement Division is authorized either before or after such legal transfer to cause such minerals or metals to be put into forms best

sued for storage and use for the common defense. As used in this section the phrase “strategic minerals and metals” means copper, lead, zinc, tin, magnesium, manganese, chromite, nickel, molybdenum, tungsten, mercury, mica, quartz crystals, industrial diamonds, cadmium, fluorspar, cobalt, tantalite, antimony, vanadium, platinum, beryl, graphite (and to which may be added aluminum or any other minerals or metals in such quantities or amounts as the Army and Navy Munitions Board may determine to be necessary for the stock pile authorized by the Act of June 7, 1939) [sections 98–98f of Title 50], and shall include ores, concentrates, alloys, scrap, and partially and completely fabricated articles of which the principal components by value consist of such minerals and metals, but shall not include such fabricated articles as the Army and Navy determine are not suitable for their use in the form in which fabricated and which may be disposed of commercially at value substantially in excess of the metal market price of the component minerals and metals of such fabricated articles.

(b) Withholding from transfer for six months period.

Pending a determination by the War Production Board that the supplies of the respective strategic minerals and metals available to industry are sufficient to meet the current requirements of industry, the owning agency subject to the regulations prescribed by the Surplus Property Board shall withhold from transfer under this section an amount of such minerals and metals equal to the deficiency, if any, estimated by the War Production Board as likely to exist for the requirements of industry for a period of six months for purposes other than war production; and may dispose of the minerals and metals so withheld to the extent necessary to meet any such deficiency actually found to exist by the War Production Board, at the market price of the respective minerals and metals.

(c) Transfer of strategic materials; definition; removal from strategic list.

Any Government-owned accumulations of strategic materials shall at the request of the War and Navy Departments be transferred by the owning agency, when determined to be surplus pursuant to this Act, to the account of the Treasury Procurement Division and shall be added to the stock pile authorized by the Act of June 7, 1939 (53 Stat. 811), as amended [sections 98–98f of Title 50], and shall be subject to its provisions. The materials may be transferred in any form in which they are held and they shall thereafter be put into forms best suited for storage and use for the common defense. The term “strategic materials” as used in this subsection means all materials except strategic minerals and metals as defined in subsection (a) of this section and includes all materials in group A or in group B of the list of strategic and critical materials determined upon by the Army and Navy Munitions Board on March 6, 1944, as amended from time to time, but shall not include any of such materials which the Army and Navy determine do not meet the specifications suitable for common defense or are in excess of the needs thereof. The Army and

Navy Munitions Board is authorized to direct the removal from the list of any of the materials as defined in this subsection, in which event they shall be disposed of under the provisions of this Act [sections 1611–1646 of this Appendix].

(d) Report to Congress by Army and Navy Munitions Board.

Within three months following the enactment of this Act [October 3, 1944] the Army and Navy Munitions Board shall submit to Congress its recommendations respecting the maximum and minimum amounts of each strategic mineral or metal which in its opinion should be held in the stock pile authorized by the Act of June 7, 1939 [sections 98–98f of Title 50]. After one year from the submission of such recommendations, unless the Congress provides otherwise by law, the Board may authorize the proper disposal agencies to dispose of any Government-owned accumulations of strategic minerals and metals including those owned by any Government corporation when determined to be surplus pursuant to this Act [sections 1611–1646 of this Appendix]. (Oct. 3, 1944, ch. 479, § 22, 58 Stat. 776.)

§ 1632. Disposal of surplus real property—(a) Definitions.

As used in this section—

(1) The term “real property” means property consisting of land, together with any fixtures and improvements thereon, located outside of the District of Columbia, but does not include war housing, industrial plants, factories, or similar structures and facilities, or the sites thereof, or land which the Board determines is essential to the use of any of the foregoing; and

(2) The term “surplus real property” means real property which has been determined under section 11 [section 1620 of this Appendix] to be surplus property.

(b) Property to be disposed.

Surplus real property which is not disposed of to Government agencies under section 12 [section 1621 of this Appendix] or to States or their political subdivisions or instrumentalities under section 13 [section 1622 of this Appendix] shall be disposed of in accordance with this section.

(c) Classification of property.

Immediately after the reporting of surplus real property to the Board under section 11 [section 1620 of this Appendix], the Board shall classify such property as agricultural, grazing, forest, mineral, or otherwise, as it may deem advisable. The classification may be revised from time to time.

(d) Preference to former owner; rights of tenant; price limitation.

(1) (A) In the case of any surplus real property which was acquired by any Government agency after December 31, 1939, the person from whom such property was acquired shall be given notice, in such manner (which may include publication) as the Board by regulation may prescribe, that the property is to be disposed of by the United States and shall be entitled to purchase such property, in substantially the identical tract as when acquired from

such person, at private sale at any time during the period of ninety days following such notice: *Provided*, That such period shall be extended in any case when it appears that such extension is necessary or appropriate to facilitate the sale of any surplus real property under this subsection.

(B) In the case of real property acquired by any Government agency after December 31, 1939, which either—

(i) has not been determined under section 11 [section 1620 of this Appendix] to be surplus property, or

(ii) has been disposed of under section 12 [section 1621 of this Appendix] or 13 [section 1622 of this Appendix], or

(iii) is classified as suitable for a purpose different from that for which it was used when acquired by the Government, and with respect to which the person from whom it was acquired has signified an intention not to exercise the privilege granted under subparagraph (A),

the person from whom such property was acquired may be offered other surplus real property in the same area for purchase at private sale, if such other property is classified as suitable for the purpose for which the property so acquired was used when so acquired, and is otherwise similar to the property so acquired.

(2) In the case of surplus real property which was acquired by any Government agency after December 31, 1939, and which is classified as suitable for agricultural use, if any tenant (who was a tenant at the time of acquisition) of the person from whom such property was acquired, signifies, within a period of ninety days following public notice of sale, his intention to purchase such property, and no person has exercised his privilege under paragraph (1) (A), such tenant shall be entitled to purchase such property, in substantially the identical tract as when acquired by such Government agency, at private sale at any time during such ninety-day period.

(3) The price to be paid for surplus real property sold under this subsection shall be a price not greater than that for which it was acquired by the United States, such acquisition price being properly adjusted to reflect any increase or decrease in the value of such property resulting from action by the United States, or a price equal to the market price at the time of sale of such property, whichever price is the lower.

(4) The Board may by regulation prescribe methods for the identification of persons entitled to exercise the privileges conferred by this subsection.

(e) Division of agricultural property into family-size units; division of property unsuitable for agriculture.

If any surplus real property is not disposed of under subsection (d)—

(1) such property, if classified as suitable for agricultural use, shall be subdivided, as provided by the Board, whenever practicable into economic family-size units (taking into consideration the variations in sizes of economic units in different localities); and

(2) such property, if not classified as suitable for agricultural use, shall be subdivided into the appropriate units in which the Board deems the property should be disposed of, giving due consideration to the character of the property, the economic use to which it is likely to be put, and the objectives of disposition as set forth in this Act [sections 1611–1646 of this Appendix].

(f) Preference to veterans; procedure.

(1) Whenever any surplus real property classified as suitable for agricultural, residential, or small business purposes is to be disposed of, except as provided in subsection (d) of this section, veterans shall be granted a preference in the purchase of such property over nonveterans.

(2) The following procedure shall govern the exercise of veterans' preference rights under this subsection: The disposal agency, under regulations prescribed by the Board, shall fix the price of each unit into which the property is subdivided under subsection (e) after taking into consideration the then current market value, the character of the property, and, if income producing property, the estimated earning capacity thereof. Before any such property is disposed of, except under subsection (d), any veteran may apply for the purchase of any or all units offered for sale at the price so fixed. The Board shall prescribe the time within which application shall be made and shall give such notice thereof as it deems reasonable to enable veterans to exercise their rights under this subsection. The Board shall provide for the selection of the purchaser of each unit by lot from among the applicants for the unit. If any applicant is selected as the purchaser of more than one unit, he shall elect which one to take, whereupon the right to purchase the remaining units shall go to the remaining applicants in the order in which their names were drawn. No veteran may apply for the purchase of any property under the provisions of this subsection if he has previously exercised a preference right under this section and has acquired property pursuant thereto. Sales to veterans under this subsection shall be upon such terms as the Board may prescribe.

(g) Rights of beneficiaries of former owner or veteran; order of succession; limitation on preference right.

In the case of the death of a person entitled under this section to rights as a former owner or veteran, his spouse and children, in that order, shall succeed to such rights of the decedent existing at the time of his death. Any preference right under subsection (f) to which a person would have been entitled except for his death while in the active military or naval service of the United States, shall be extended to his spouse and children, in that order. No preference right may be assigned or exercised by power of attorney or through a power to select except as may be permitted by regulations prescribed by the Board in order to prevent the loss of such right by the holder thereof.

(h) Termination of purchase privileges.

A certificate by the disposal agency that the provisions of subsections (d), (f), and (g) have been

complied with in the case of any property and that no qualified applicant has made application to exercise his privilege to purchase within the time limits fixed by or pursuant to this Act [sections 1611–1646 of this Appendix], shall terminate all privileges to purchase such property.

(i) Limitations on disposal of agricultural lands; financial assistance by Department of Agriculture.

In the case of surplus real property which is classified as suitable for agricultural use and which is not disposed of under subsection (d) or (f), such property (after subdivision as provided in subsection (e) (1)) shall be disposed of insofar as possible only to persons who expect to cultivate the land and to operate it for a livelihood. The Department of Agriculture is authorized and directed, within the limits of its current functions under the Bankhead-Jones Farm Tenant Act [sections 1000–1029 of Title 7], to extend needed financial and other assistance to persons eligible for such assistance under the Bankhead-Jones Farm Tenant Act [sections 1000–1029 of Title 7] and the Servicemen's Readjustment Act of 1944 [sections 693–697e of Title 38], in connection with the disposal of surplus agricultural lands pursuant to this subsection.

(j) Approval of deed or instrument of transfer; warranty deeds.

In the case of sales of real property under this section or under any other provision of this Act [sections 1611–1646 of this Appendix], the form of deed or instrument of transfer shall be approved by the Attorney General. Deeds or other instruments containing general or special warranties of title may be issued and delivered to purchasers provided such warranties have been recommended and approved by the Attorney General. In determining whether general or special warranty deeds to properties may be issued and delivered, the Attorney General is authorized to approve the issuance and delivery of warranty deeds where titles are subject to infirmities of such character that in his opinion the interests of the United States will not be jeopardized under its warranty. (Oct. 3, 1944, ch. 479, § 23, 58 Stat. 777.)

§ 1633. Reports to Congress.

Within three months after the enactment of this Act [October 3, 1944], and thereafter in January, April, July, and October of each year, the Board shall submit to the Senate and House of Representatives a progress report on the exercise of its authority and discretion under this Act [sections 1611–1646 of this Appendix], the status of surplus property disposition, and such other pertinent information on the administration of the Act [such sections] as will enable the Congress to evaluate its administration and the need for amendments and related legislation. (Oct. 3, 1944, ch. 479, § 24, 58 Stat. 780.)

§ 1634. Conclusiveness of title of purchaser.

A deed, bill of sale, lease, or other instrument executed by or on behalf of any Government agency purporting to transfer title or any other interest in property under this Act [sections 1611–1646 of

this Appendix] shall be conclusive evidence of compliance with the provisions of this Act [such sections] insofar as title or other interest of any bona fide purchasers for value, or lessees, as the case may be, is concerned. (Oct. 3, 1944, ch. 479, § 25, 58 Stat. 780.)

§ 1635. Civil remedies for fraudulent acts; jurisdiction; remedies as additional.

(a) Where any property is disposed of in accordance with this Act [sections 1611–1646 of this Appendix] and any regulations prescribed under this Act [such sections], no officer or employee of the Government shall (1) be liable with respect to such disposition except for his own fraud or (2) be accountable for the collection of any purchase price which is determined to be uncollectible by the agency responsible therefor.

(b) Every person who shall use or engage in or cause to be used or engaged in any fraudulent trick, scheme, or device, for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any payment, property, or other benefits from the United States or any Government agency in connection with the disposition of property under this Act [such sections]; or who enters into an agreement, combination, or conspiracy to do any of the foregoing—

(1) shall pay to the United States the sum of \$2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof, together with the costs of suit; or

(2) shall, if the United States shall so elect, pay to the United States, as liquidated damages, a sum equal to twice the consideration agreed to be given by such person to the United States or any Government agency; or

(3) shall, if the United States shall so elect, restore to the United States the property thus secured and obtained and the United States shall retain as liquidated damages any consideration given to the United States or any Government agency for such property.

(c) The several district courts of the United States, the District Court of the United States for the District of Columbia, and the several district courts of the Territories of the United States, within whose jurisdictional limits the person, or persons, doing or committing such act, or any one of them, resides or shall be found, shall wheresoever such act may have been done or committed, have full power and jurisdiction to hear, try, and determine such suit.

(d) The civil remedies provided in this section shall be in addition to all other criminal penalties and civil remedies provided by law. (Oct. 3, 1944, ch. 479, § 26, 58 Stat. 780.)

§ 1636. Practice by former employees; penalties.

No person employed by any Government agency, including commissioned officers assigned to duty in such agency, shall, during the period such person is engaged in such employment or service, or for a period of two years after the time when such employment or service has ceased, act as counsel, at-

torney, or agent, or be employed as representative, in connection with any matter involving the disposition of surplus property by the agency in which such person was employed, if such person during his employment with such agency ratified, approved, or authorized the disposition of any surplus property pursuant to the provisions of this Act [sections 1611–1646 of this Appendix] or recommended any such approval, authorization, or ratification as part of his official duties. Any person violating the provisions of this section shall be fined not more than \$10,000, or imprisoned for not more than one year, or both. (Oct. 3, 1944, ch. 479, § 27, 58 Stat. 781.)

§ 1637. Amendment of section 590a of Title 18.

The first section of the Act of August 24, 1942 (56 Stat. 747), as amended [section 590a of Title 18], is amended to read as follows:

“The running of any existing statute of limitations applicable to any offense against the laws of the United States (1) involving defrauding or attempts to defraud the United States or any agency thereof whether by conspiracy or not, and in any manner, or (2) committed in connection with the negotiation, procurement, award, performance, payment for, interim financing, cancellation or other termination or settlement, of any contract, subcontract, or purchase order which is connected with or related to the prosecution of the present war, or with any disposition of termination inventory by any war contractor or Government agency, or (3) committed in connection with the care and handling and disposal of property under the Surplus Property Act of 1944 [sections 1611–1646 of this Appendix], shall be suspended until three years after the termination of hostilities in the present war as proclaimed by the President or by a concurrent resolution of the two Houses of Congress. This section shall apply to acts, offenses, or transactions where the existing statute of limitations has not yet fully run, but it shall not apply to acts, offenses, or transactions which are already barred by provisions of existing law.” (Oct. 3, 1944, ch. 479, § 28, 58 Stat. 781.)

§ 1638. Competitive bidding.

Surplus property disposals may be made without regard to any provision in existing law for competitive bidding, unless the Board shall determine that disposal by competitive bid will in a given case better effectuate the policy of the Act [sections 1611–1646 of this Appendix]. (Oct. 3, 1944, ch. 479, § 29, 58 Stat. 781.)

§ 1639. Disposition of proceeds—(a) Miscellaneous proceeds.

All proceeds from any transfer or disposition of property under this Act [sections 1611–1644 of this Appendix] shall be covered into the Treasury as miscellaneous receipts, except as provided in subsections (b), (c), and (d) of this section.

(b) Reimbursement of particular funds or appropriations.

Where the property transferred or disposed of was acquired by the use of funds either not appropriated from the general fund of the Treasury or appropriated from the general fund of the Treasury but by

law reimbursable from assessment, tax, or other revenue or receipts, then upon the request of the interested agency the net proceeds of the disposition or transfer shall be credited to the reimbursable fund or appropriation or paid to the owning agency. As used in this subsection the term "net proceeds of the disposition or transfer" means the proceeds of the disposition or transfer minus all expenses incurred for care and handling and disposition or transfer.

(c) **Deposit in special refund account.**

To the extent authorized by the Board, any Government agency disposing of property under this Act [such sections] (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

(d) **Credit against contract cost.**

Where a contract or subcontract authorizes the proceeds of any sale of property in the custody of the contractor or subcontractor to be credited to the price or cost of the work covered by such contract or subcontract, the proceeds of any such sale shall be credited in accordance with the contract or subcontract.

(e) **Management of mortgage or lien held as security.**

Where the disposal agency acquires or retains any mortgage, lien, or other interest as security in connection with any transfer or disposition of property under this Act [such sections], the disposal agency shall retain, preserve, and manage such security and may enforce and settle any right of the Government with respect thereto in such manner and upon such terms as it deems in the best interest of the Government. The Board may prescribe regulations to govern the exercise of the authority granted under this subsection. (Oct. 3, 1944, ch. 479, § 30, 58 Stat. 781.)

¹ So in original. Probably should read "of".

§ 1640. Use of appropriated funds; appropriations.

(a) Any Government agency is authorized to use for the disposition of property under this Act [sections 1611–1644 of this Appendix], and for its care and handling pending such disposition, any funds heretofore or hereafter appropriated, allocated, or available to it for the purpose of production or procurement of such property.

(b) Any Government agency is authorized to use for the acquisition of any surplus property under this Act [such sections] any funds heretofore or hereafter appropriated, allocated, or available to it for the acquisition of property of the same kind.

(c) There are authorized to be appropriated such sums as may be necessary or appropriate for administering the provisions of this Act [such sections]. (Oct. 3, 1944, ch. 479, § 31, 58 Stat. 782.)

§ 1641. Dispositions outside United States.

(a) Nothing in this Act [sections 1611–1646 of this Appendix] shall limit or affect the authority of commanders in active theaters of military operations with respect to property in their control.

(b) The provisions of this Act [such sections] shall be applicable to dispositions of property within the United States and elsewhere, but the Board may exempt from some or all of the provisions hereof dispositions of property located outside of the continental United States, its Territories and possessions, whenever it deems that such provisions would obstruct the efficient and economic disposition of such property in accordance with the objectives of this Act [such sections]. (Oct. 3, 1944, ch. 479, § 32, 58 Stat. 782.)

§ 1642. Restrictions on importation of surplus property into United States; exemptions.

(a) It is the policy of this Act [sections 1611–1646 of this Appendix] to prohibit, so far as feasible and necessary to carry out the objectives of this Act [such sections], the importation into the United States of surplus property sold abroad or for export. The Board shall prescribe regulations to carry out such policy, and the importation of surplus property into the United States is hereby prohibited to the extent specified in such regulations. The Secretary of the Treasury is authorized and directed to provide for the enforcement of such regulations.

(b) Surplus property sold to members of the armed forces abroad may be brought into the United States without regard to the provisions of subsection (a) if brought in by the original purchaser and upon certificate by him that he is bringing the property into the United States for his personal use. (Oct. 3, 1944, ch. 479, § 33, 58 Stat. 782.)

§ 1643. Saving provisions.

(a) The authority conferred by this Act [sections 1611–1646 of this Appendix] is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith. This Act [such sections] shall not impair or affect any authority for the disposition of property under any other law, except that the Board may prescribe regulations to govern any disposition of surplus property under any such authority to the same extent as if the disposition were made under this Act [such sections], whenever it deems such action necessary to effectuate the objectives and policies of this Act [such sections].

(b) Nothing in this Act [such sections] shall impair or affect the provisions of the Contract Settlement Act of 1944 [sections 101–125 of Title 42]; the Emergency Price Control Act of 1942, as amended [sections 901–946 of this Appendix]; the Act of October 2, 1942 (ch. 578, 56 Stat. 765), as amended [sections 961–971 of this Appendix]; section 301 of the Second War Powers Act, 1942 [section 633 of this Appendix]; the Act of March 11, 1941 (55 Stat. 31), as amended [sections 411–419 of Title 22]; the Tennessee Valley Authority Act of 1933, as amended [sections 831–831dd of Title 16]; Public Law 849, Seventy-sixth Congress, as amended, respecting war

housing and facilities [sections 1501-1564 of Title 42]; the Act of June 7, 1939, relating to the acquisition of strategic and critical materials (53 Stat. 811) [sections 98-98f of Title 50]; the Trading With the Enemy Act, as amended [sections 1-30 of this Appendix]; section 43 of the Bankhead-Jones Farm Tenant Act, as amended [section 1617 of Title 7]; Acts supplemental to any of the foregoing; any law regulating the exportation of property from the United States; the internal-revenue laws; the statutes relating to the public lands; or any criminal law of the United States.

(c) Nothing in this Act [such sections] shall be deemed to impair or modify any contract, or any term or provision of any contract, without the consent of the contractor, if the contract or the term or provision thereof is otherwise valid. (Oct. 3, 1944, ch. 479, § 34, 58 Stat. 783.)

§ 1644. Temporary applicability of existing procedures.

All policies and procedures relating to surplus property prescribed by the Surplus War Property Administration, created by Executive Order Numbered 9425, dated February 19, 1944, or any other Government agency, in effect upon the effective date of this Act [October 3, 1944], and not inconsistent with this Act [sections 1611-1646 of this Appendix], shall remain in full force and effect unless and until superseded by regulations prescribed under this Act [such sections]. (Oct. 3, 1944, ch. 479, § 35, 58 Stat. 783.)

REFERENCES IN TEXT

Executive Order Numbered 9425, dated February 19, 1944, referred to in the text, is set out as a note under section 601 of this Appendix.

§ 1645. Disposition and removal of termination inventories; duties of contracting agencies and Board; cooperation between Board and Director of Contract Settlement; definitions.

(a) The Congress recognizes that upon termination of war contracts, the plants of war contractors will be filled with vast termination inventories which until removed or disposed of will prevent or interfere with the resumption of civilian production and reemployment, and that so far as possible decisions should be made in advance of termination for the disposition and removal of such termination inventories without delay when termination occurs. Measures should be taken to realize the greatest possible value from termination inventories.

(b) In advance of termination, to the maximum extent practicable—

(1) each contracting agency shall advise its war contractors of the classes of termination inventory the contracting agency will wish to retain for military purposes; and

(2) the Board shall establish procedures for advising war contractors as to the care and handling and disposition of termination inventory not required for military purposes, in order to effectuate the policies stated in subsection (a) of this section and the policies of section 11 (a) (3) of the Contract Settlement Act of 1944 [section 111 (a) (3) of Title 41].

(c) To the extent that it is impracticable so to advise war contractors in advance of termination, the contracting agencies and the Board shall be prepared to give such advice as soon as practicable after termination of the war contract.

(d) The Board and the Director of Contract Settlement shall cooperate in carrying out the provisions of this section.

(e) For the purposes of this section, the terms "contracting agency", "termination inventory", and "war contractor" shall have the meanings assigned to such terms by section 3 of the Contract Settlement Act of 1944 [section 103 of Title 41]. (Oct. 3, 1944, ch. 479, § 36, 58 Stat. 783.)

§ 1646. Amendment of section 968 of this Appendix; effective date.

(a) Section 8 (a) (1) of the Stabilization Act of 1942, as amended [section 968 (a) (1) of this Appendix] (relating to loans upon certain agricultural commodities) is amended by striking out "at the rate in the case of cotton of 92½ per centum" and inserting in lieu thereof "at the rate in the case of cotton of 95 per centum".

(b) The amendment made by this section shall be applicable only with respect to crops harvested after December 31, 1943, but shall not apply to crops planted after 1944. In the case of loans made under such section 8 [section 968 of this Appendix] upon any of the 1944 crop of cotton before the amendment made by this section takes effect, the Commodity Credit Corporation is authorized and directed to increase or provide for increasing the amount of such loans to the amount of the loans which would have been made if the loan rate specified in the amendment made by this section had been in effect at the time the loans were made. (Oct. 3, 1944, ch. 479, § 37, 58 Stat. 784.)

WAR MOBILIZATION AND RECONVERSION ACT OF 1944 (New)

ACT OCT. 3, 1944, CH. 480, 58 STAT. 785

TITLE I.—OFFICE OF WAR MOBILIZATION AND RECONVERSION

Sec.

1651. Establishment of Office.

- (a) Appointment, compensation, and tenure of Director.
- (b) Consolidation of agencies.
- (c) Powers and duties of Director.
- (d) Employment of Deputy Director and other officers and employees; expenditures for supplies, facilities, and services.

1652. Advisory board; composition; functions; compensation of members.

TITLE II.—DEMOBILIZATION AND RECONVERSION POLICIES

1656. Indefinite military service.

1657. Termination of prime war contracts.

1658. Integration of termination of war contracts with resumption of civilian production.

- (a) Survey by contracting agencies.
- (b) Resumption of civilian production.
- (c) Establishment of policies.

1659. Small plant participation in civilian production; percentage of allocated materials; establishment of standards, quotas, etc.

1660. Surveys by Attorney General; report to Congress.